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Head Office
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TORONTO - ONTARIO

File
CANADA
MALTING CO.
LIMITED



REPORT TO SHAREHOLDERS

Malthouses and Elevators

Montreal, Que.	Winnipeg, Man.
Toronto, Ont.	Calgary, Alta.
Port Arthur, Ont.	

For the six months
ended June 30, 1968

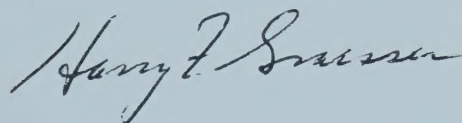
CANADA MALTING CO.
LIMITED

Earnings for the Six Months ended June 30 (unaudited)

The following report is presented on behalf of your Board of Directors. It covers the six-month period ended June 30, 1968, with comparative figures for 1967.

Earnings per common share were 99¢, compared to \$1.01 for the same period last year, the difference being due largely to the increased Federal income tax.

The increase in expenditures for fixed assets is mainly accounted for by the purchase of the Toronto plant of Dominion Malting (Ontario) Limited.



Harry F. Graesser,
President.

TORONTO, ONT.
August 8, 1968.

	<u>1968</u>	<u>1967</u>
Sales	\$15,448,100	\$15,936,864
Cost and expenses		
Cost of products sold and all expenses except the items shown below	12,983,356	13,575,637
Provision for depreciation	588,882	586,640
	<u>13,572,238</u>	<u>14,162,277</u>
Earnings from operations	1,875,862	1,774,587
Investment and other income	40,775	72,180
	<u>1,916,637</u>	<u>1,846,767</u>
Provision for Income Taxes	1,063,000	975,000
Net earnings for the period	<u>\$ 853,637</u>	<u>\$ 871,767</u>

Source and Application of Funds for the Six Months ended June 30

	<u>1968</u>	<u>1967</u>
Source of Funds:		
Net earnings for the period	\$ 853,637	\$ 871,767
Charges (credits) against earnings not affecting cash outlay		
Provision for depreciation	588,882	586,640
Decrease in deferred income taxes	(121,650)	(141,000)
Funds provided from operations	<u>\$ 1,320,869</u>	<u>\$ 1,317,407</u>
Gain on sale of securities	1,340,008	-
	<u>\$ 2,660,877</u>	<u>\$ 1,317,407</u>
Application of Funds:		
Expenditures for fixed assets (net)	\$ 3,698,176	\$ 273,062
Dividends paid on common shares	431,944	431,944
Redemption of Series "A" preferred shares issued as stock dividend	1,727,776	-
Special refundable tax		31,255
	<u>\$ 5,857,896</u>	<u>\$ 736,261</u>
Resulting in an increase (decrease) in working capital of	(\$ 3,197,019)	\$ 581,146
Working capital at beginning of year	11,256,422	11,084,616
Working capital at June 30	<u>\$ 8,059,403</u>	<u>\$11,665,762</u>